SENATE BILL 3419

By Bunch

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 27, relative to employee awards.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-27-101, is amended by deleting the section in its entirety and by substituting instead the following:

Section 4-27-101.

- (a) This part shall be known and may be cited as the "Tennessee Employee Innovation Program".
- (b) There is established an employee innovation award program for employees and retired employees of state government.
- (c) Under this program, cash, special administrative leave and honorary awards may be made to state employees and retired state employees whose adopted suggestions will result in substantial savings, innovations or improvements in state operations.

SECTION 2. Tennessee Code Annotated, Section 4-27-104, is amended by deleting the language "cash awards" and by substituting instead the language "cash or special administrative leave awards"

SECTION 3. Tennessee Code Annotated, Section 4-27-105(a), is amended by deleting subdivision (1) in its entirety and by substituting instead the following:

(1) The maximum cash award shall be limited to twenty-five percent (25%) of the first year's estimated savings or twenty-five thousand dollars (\$25,000), whichever is less. The board may, however, increase the maximum amount of the award for suggestions that result in extraordinary amounts of savings.

SECTION 4. Tennessee Code Annotated, Section 4-27-105, is amended by adding the following language as new subsections:

(c)

- (1) The board may award special administrative leave to state employees for suggestions that result in substantial savings, innovations or improvements in state operations.
- (2) The maximum amount of special administrative leave awarded for any suggestion shall be five (5) days. Any leave acquired pursuant to this subsection (c) shall be used within one (1) calendar year of the award and, in any event, prior to retirement.
- (3) Special administrative leave awarded pursuant to this subsection (c) shall be paid leave; provided that unused leave shall expire in accordance with subdivision (c)(2) and has no cash or other value.
- (4) Any special administrative leave awarded by the board shall be charged against the appropriation item or items to which estimated savings apply.

(d)

- (1) The board may award a cash award, honorary award, special administrative leave or any combination thereof to state employees except as otherwise provided in § 4-27-104.
- (2) The board may award a cash award, honorary award or both to retired state employees.

SECTION 5. This act shall take effect July 1, 2010, the public welfare requiring it.

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